## **ORDINANCE**

## CITY OF NEW ORLEANS

CITY HALL: November 15, 2012

**CALENDAR NO. 29,297** 

NO. \_\_\_\_\_ MAYOR COUNCIL SERIES

BY: COUNCILMEMBER CLARKSON (BY REQUEST)

**AN ORDINANCE** approving rates to be charged the users of the water system of the City of New Orleans, Louisiana; and otherwise to provide with respect thereto

WHEREAS, under the provisions of Section 4096, of Title 33 of the Louisiana Revised Statutes of 1950, as amended (the "Act"), the Sewerage and Water Board of New Orleans (the "Board") is authorized to fix the rates to be charged private users of the water system, so as to cover the cost of maintenance and operation of the public water system, cost of improvements, extensions, betterments and repairs to said system, the establishment of a replacement fund, and the revenues required to be raised annually to insure the proper development of said water system and the payment of principal and interest of water service revenue bonds, including payments required to be made into sinking funds and debt service reserve funds; and

WHEREAS, due to the combined effects of deferred operations and maintenance expenditures and the need for capital improvements to the water system of the Board, revenues under existing schedules of water service charges are no longer adequate to meet operating, maintenance and capital requirements of the water system as described in the preceding paragraph; and

WHEREAS, it has become incumbent upon the Board to increase water service charges, and due to the serious nature of such a step, the firm of Raftelis Financial Consultants was

employed for the purpose of developing a long term financial plan and rates study and giving its recommendations; and

**WHEREAS**, under the recommendation of said financial consultants, the Board has determined to exercise its authority under the provisions of the Act to increase water service charges so as to provide revenues sufficient to pay the operating, maintenance and capital requirements of the water system as described in the preceding paragraphs; and

WHEREAS, prior to taking any decisive action in connection with water service charges, and at least thirty days before setting rates, the Board notified the Board of Liquidation, City Debt, and the Council of the City of New Orleans of its intention, and thereafter held three public hearings to discuss the proposed new charges, which public hearings were held on the following dates, times, and locations:

<u>Date</u>	<u>Time</u>	Location
January 23, 2012 January 26, 2012 January 30, 2012	6:00 p.m. 6:00 p.m. 6:00 p.m.	YMCA, 2220 Oretha Castle Haley Blvd. City Council Chamber, 1300 Perdido Street Lindy Boggs Conference Center, 2043 Lakeshore Drive
and the public was notified of	of the hearings in	"The Times-Picayune" within the week prior to each such

meeting; and

**WHEREAS**, the Board also held three additional public meetings to discuss the proposed new charges, which public hearings were held on the following dates, times, and locations:

<u>Date</u>	<u>Time</u>	Location
February 6, 2012	6:00 p.m.	Behrman Memorial Center, 2529 General Meyer Avenue
February 7, 2012	6:00 p.m.	Household of Faith Church, 9300 I-10 Service Road
February 9, 2012	6:00 p.m.	Bethel A.M.E. Church, 1437 Caffin Avenue.

and the public was notified of the meetings in "The Times-Picayune" within the week prior to each such meeting; and

WHEREAS, copies of the proposed water service charges were on file in the office of the Office of Community and Intergovernmental Relations of the Board, and available to all interested persons, as set forth in the public notices of said meetings, and after hearing all interested persons appearing at the meetings, and considering their comments, as well as written communications received by the Board pertaining to said proposed water service charges; and after due discussion and deliberation, and giving due consideration to the report of Raftelis Financial Consultants, as required by the covenants relating to the outstanding water service revenue bonds, the Board has concluded that water service charges should be revised and fixed in order to provide sufficient revenues to cover the costs described above; and

**WHEREAS**, at least twenty days prior to any action being taken by the Board with respect to the proposed water service charges, each member of the Board of Liquidation, City Debt, and this City Council was furnished a copy of the transcript of each hearing; and

**WHEREAS**, under the provisions of R.S. 33:4096A(2), the Council is required to approve the schedule of charges and surcharges for private users of the water system of the City of New Orleans adopted by the Board by Resolution R-181-2012 (the "Resolution") on November 14, 2012 before the same can become effective; and

**WHEREAS**, in view of the foregoing, this Council desires to approve the schedule of charges and surcharges for private users of the water system of the City of New Orleans adopted by the Board by said Resolution.

SECTION 1. THE COUNCIL OF THE CITY OF NEW ORLEANS HEREBY

- **ORDAINS,** That the schedule of charges and surcharges for private users of the water system of the
- 3 City of New Orleans commencing January 1, 2013 is hereby approved at the rates set forth in
- 4 Resolution R-181-2012, adopted by the Sewerage and Water Board of New Orleans on November
- 5 14, 2012, a copy of which is attached hereto as Exhibit A and incorporated herein in its entirety.

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1	SECTION 2. If any section, clause or provision of this ordinance should be declared by the
2	courts to be invalid, the same shall not affect the validity of this ordinance as a whole or any part
3	thereof, other than the part so declared to be invalid.
1	SECTION 3. The provisions of this Ordinance shall become effective immediately.
	ADOPTED BY THE COUNCIL OF THE CITY OF NEW ORLEANS
	PRESIDENT OF THE COUNCIL
	DELIVERED TO THE MAYOR ON
	APPROVED: DISAPPROVED:
	MAYOR
	RETURNED BY THE MAYOR ON AT
	CLERK OF COUNCIL
	ROLL CALL VOTE:
	YEAS:
	NAYS:
	ABSENT: